

1. Policy Statement

Lady Gowrie QLD Ltd (Company) provides remuneration for services and reimbursement of expenses for its directors. This Policy sets out the principles and details of such payments.

The Company is an incorporated not-for-profit public company limited by guarantee and a registered charity with the Australian Charities and Not-for-profits Commission (**ACNC**).

The Board of Directors meet on a monthly basis, consults with all stakeholders regarding the strategic direction of the organisation, and monitors compliance and macro-operations.

The objectives of this policy are to:

- Attract and retain directors with the skills, knowledge and experience that are aligned with the Company's values, purpose, goals, and strategic objectives.
- Acknowledge the capacity and capability that is required to deal with the complexities and interrelationships of the Early Childhood Sector legislation, strategic planning, financial management, organisational performance management and stakeholder management; and
- Acknowledge the time commitment to prepare for and attend Board and Committee meetings.

The Company demonstrates accountability and transparency in relation to director remuneration in the following ways:

- The Board will appoint a committee to make recommendations concerning the remuneration of directors;
- Approval of directors' fees pool by vote of members at an Annual General Meeting or Special General Meeting of the members;
- Publication of this policy on its website; and
- Disclosure, as required, in the annual financial statements.

Directors' remuneration will be benchmarked against similar organisations (in the not-for-profit/charity sector, industry, size, revenue, complexity, and Board size) at least every two years, and more frequently as determined by the Board.

2. Scope

The policy applies to all directors of the Company.

3. Requirements and Controls

3.1 Implementation

3.1.1 Remuneration

Rule 44.1 of the Company's constitution provides that in furtherance of the charitable objects set out in rule 6.1, the Company may remunerate its directors for their services in a manner,

and to an amount, recommended by the directors and approved by the members of the Company from time to time.

Any remuneration provided to directors for their services as directors must be drawn from a pool of funds specifically designated for director remuneration.

The total annual amount or 'pool' of remuneration for the Board, including superannuation, as a whole must be approved by members at an Annual General Meeting or Special General Meeting.

Directors' fees are not cumulative and reset each financial year. Should the limit of directors' fees be reached during a financial year, then no further payments can be claimed, and no further payments made over and above the approved amount. The Board will determine by ordinary resolution on an annual basis whether the Board remuneration pool can be met within the Company's budget.

3.1.2 Payments for goods or services

Separate to remuneration of the board, where Directors are allowed reasonable and proper remuneration for services rendered or goods supplied in the ordinary course of business to the Company, this must be disclosed and if appropriate, the activity be approved by the Board prior to the engagement. Payment for this is additional to any remuneration received by the director for their services as a director.

3.1.3 Director Fee Pool Review

Between market reviews, the remuneration pool may be indexed to stay in line with inflation using the June CPI rate as published by the Australian Bureau of Statistics. Where CPI exceeds 3.0%, Board remuneration CPI increase will be capped at 3.0%.

3.1.4 Exclusions

Directors do not accrue any retirement benefits (other than superannuation guarantee where applicable) or leave benefits.

3.2 Remuneration Details

Directors will receive a basic, fixed fee (Director Fee) plus superannuation. An agreed higher fixed fee will be permitted for the Board Chair due to the increased time requirements to undertake this role.

Remuneration paid to directors is assessable under the *Income Tax Assessment Act 1997* (Cth), and if required, any taxes payable will be withheld for payment to the Australian Taxation Office.

Directors have access to salary packaging.

Waiver of Remuneration

A director may waive or reduce their remuneration, in which case it goes back into the Company's resources.

How remuneration will be paid

Remuneration can be paid to a company associated with the director upon receipt of a tax invoice in lieu of direct payment via salary.

Remuneration will be paid monthly in arrears following the appointment.

Remuneration will cease the month following the end of the appointment.

All payroll forms must be completed and all supporting documentation, such as invoices, must be provided before remuneration is paid

3.3 Out-of-Pocket Expenses

Out-of-pocket expenses will be reimbursed in accordance with the Company's standard processes and reported appropriately as a related party transaction.

Payment for this is additional to board remuneration.

Directors are eligible to be reimbursed for reasonable out-of-pocket expenses associated with their roles as directors, including domestic travel, accommodation costs, motor vehicle allowances and meals.

Directors are required to travel by the most direct route from their place of residence to the meeting place.

Directors must submit a claim for out-of-pocket expenses on a pre-approved form to be accompanied by relevant documentary evidence (e.g. tax invoices/receipts) no later than three months after the expense was incurred.

Directors will be reimbursed the actual cost of meals, accommodation, and travel in accordance with the Company's standard policy and procedures.

Motor vehicle allowances will be based on rates set by the Australian Taxation Office

3.4 Conflicts of interests

All remuneration provided by the Company to a director will constitute a conflict of interest, so must be recorded in the conflict-of-interest register.

4. Policy Review

This policy will be reviewed annually by the Board to ensure it aligns with the Company's strategic and operational objectives.

5. Related Documents and Legislative Context

Policies, Procedures and Tools	Applicable Legislation
Monitoring, Recording and Information Governance Policy	<i>Corporations Act 2001 (Cth)</i>
Records Retention Schedule	<i>Australian Charities and Not-for-profits Commission Regulations 2022 (Cth)</i> and the Governance Standards, including:

	(a) Governance Standard 2 (Accountability to Members); and (b) Governance Standard 5 (Duties of Responsible People).
	AASB Standard 124

6. Version Control

Version	Date	Author	Description of Changes	Approved By
1.0	20 March 2025	Governance and Risk Committee	Initial version	LGQ Board